

HIGH COURT DIVISION.

KELLY, J.

OCTOBER 25TH, 1913.

SASKATCHEWAN LAND AND HOMESTEAD CO. v.
MOORE.

Company—Managing Director—Transactions with—Claims and Cross-claims—Account—Mortgage—Indebtedness of Managing Director to Company—Credits Given in Books of Company at Instance of Managing Director—Commission—By-laws of Company—Salary—Transfer of Assets—Powers of Board of Directors—Delegation to Committee—Moneys Owning by Allottees of Land—Cancellation of Transfers—Interest—Statute of Limitations—Trustee—Trust Property—Recovery of—Sales of Land—Commission on—Compensation for Endorsing Commercial Paper—Directors' Fees—Special Services—Particulars.

The plaintiffs sued to recover the amount of several money claims arising out of the transactions of the defendant while he was managing director of the plaintiffs, an incorporated company. The defendant disputed these claims, and counterclaimed \$25,000 for commission on sales of the plaintiffs' lands, expenses, disbursements, compensation for endorsing notes and other negotiable paper for the plaintiffs and procuring the same to be discounted, fees as director, salary as managing director, and for special services.

See *Saskatchewan Land and Homestead Co. v. Leadlay*, 10 O.W.R. 501, 14 O.W.R. 745, 1 O.W.N. 228, 2 O.W.N. 1.

The action was tried before KELLY, J., without a jury. J. L. Whiting, K.C., and A. B. Cunningham, for the plaintiffs.

A. J. Russell Snow, K.C., for the defendant.

KELLY, J. (after setting out the facts):—The defendant resists the claim for payment of \$4,600 . . . on the ground that an arrangement existed between him and Edward Leadlay—one of the mortgagees in a mortgage from the plaintiffs—by which the latter was to assume this indebtedness personally and credit the amount on the mortgage and so reduce the plaintiffs' mortgage indebtedness. The defendant admits owing this sum to the plaintiffs at the time of the alleged arrangement. The final result of the taking of the mortgage accounts in the former